

**January 2009**

## **INFORMATION**

### **Des Moines District Office**

210 Walnut Street, Rm. 749  
Des Moines, IA 50309-2186  
(515) 284-4422  
(515) 284-4572 (Fax)  
[www.sba.gov/ia](http://www.sba.gov/ia)

Joseph M. Folsom  
District Director  
(515) 284-4026  
[Joseph.folsom@sba.gov](mailto:Joseph.folsom@sba.gov)

### **Cedar Rapids Branch Office**

2750 1<sup>st</sup> Ave. NE – Ste. 350  
Cedar Rapids, IA 52402  
(319) 362-6405  
(319) 362-7861 (Fax)

Dennis Larkin  
Branch Manager  
(319) 362-6405 ext. 2020  
[G.D.Larkin@sba.gov](mailto:G.D.Larkin@sba.gov)

### **Standard 7(a) Loan Guaranty Processing Center**

6501 Sylvan Road  
Citrus Heights, CA 95610  
Phone: (916) 735-1515  
ext. 4368  
Contact: Dusty Rhoads  
Fax: (916) 930-2180

**OR**

262 Black Gold Blvd.  
Hazard, KY 41701  
Contact: Clarence Woods  
Phone: 606-436-0801  
ext. 229  
Fax: (606) 435-2400  
E-mail:  
[loanprocessing@sba.gov](mailto:loanprocessing@sba.gov)

### **Fresno Servicing Center**

Fresno, CA  
(559) 487-5650  
(559) 487-5803 Fax

### **Liquidation & Purchase Center**

Herndon, VA  
(703) 487-9283  
(202) 481-4674 Fax

### **504 & PLP Processing Center**

6501 Sylvan Road  
Citrus Heights, CA 95610  
(916) 930-2463 or 930-2460  
(916) 930-2160 FAX

*All SBA programs and  
services are provided on  
a nondiscriminatory basis.*

## **Tools for your Customers in a Challenging Economy**

Dear Lender:

Today's economic environment presents new challenges for us as we assist our small business customers in meeting these challenges. Our staff in the Des Moines District office and Cedar Rapids Branch office along with our coworkers in the Fresno 7(a) loan servicing center stand ready to assist you.

Attached to this newsletter is a chart showing the unilateral actions you as a lender can take to better serve your customers. Keep this as a handy desk reference. The first column, Etrans, lists those actions you as a lender can take using the E- Tran interface. The 2<sup>nd</sup> and 3<sup>rd</sup> columns are the unilateral actions you are delegated. The 4<sup>th</sup> column lists actions requiring prior SBA approval. Note after initial disbursement there is no distinction based upon the type of 7(a) loan (standard 7(a), PLP, Express etc).

The 7(a) program has numerous modes of entry and caveats for you as lenders to use in serving your small business customers. One of the nice features of the revised 50-10 5 SOP issued in August of 2008 is a set of tables on pages 82-86 that explain the policies and procedures governing 7(a) business loans including Standard 7(a), the Certified Lenders Program, the Preferred Lenders Program, SBAExpress and the agency's pilot loan programs. You may want to make a copy of this set of tables as a quick desk reference as well. Two caveats worth noting for those occasional customers whose needs may not fit the more traditional standard 7(a) product are the international trade loans and the CAP line products.

The international trade loan and export working capital programs are designed to meet the needs of small businesses engaged in international trade. John Neville, U.S. Export Assistance Center (312-353-8065 or [john.nevill@sba.gov](mailto:john.nevill@sba.gov)), can assist you with these programs.

The CAP Line products are useful tools for customers who need short term working capital, have seasonal needs, need financial assistance with the building of a commercial or residential project or need financial assistance to perform on a contract. Our district office staff is available to assist you with any questions on the CAP Line products.

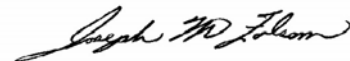
Entrepreneurs can take advantage of new, free online training and other resources offered by the

SBA to assist them during this period of economic recovery. The SBA offers a variety of online courses to assist small businesses in more effectively managing their firms in the current economy. The new course topics, available directly at [www.sba.gov/services/training/onlinecourses](http://www.sba.gov/services/training/onlinecourses), include revising business plans to reposition with current conditions, winning customers in a slowing economy, restructuring existing debt, and diversifying your customer base with federal contracts.

The most recently added course is "Downshifting in a Slowing Economy: A Business Planning Guide." This course is designed to help business owners reorganize and streamline their business strategies. Other related business tools include a new automated business plan template and an assessment and strategies guide for surviving in a slowing economy. Feel free to encourage your business owners and entrepreneurs to take advantage of these new tools.

As always we are here to assist you in meeting the needs of your small business customer, regardless of the challenges.

Sincerely



Joseph M. Folsom  
District Director

## **KAREN MILLS NOMINATED FOR SBA ADMINISTRATOR**

Karen Mills has been nominated to be the next SBA Administrator.

Mills' background is a combination of management, venture capital and public policy. Ms. Mills also has a record of bipartisanship which is important to SBA and the small business communities the agency serves.

Mills is currently president of MMP Group in Brunswick, Maine. She was also a founding partner in Solera Capital, a New York-based venture capital firm.

Her appointment will be subject to confirmation by the Senate.

## April 1st Midstates Community and Economic Development Conference

A conference program and registration form for the 9th annual Midstates Community and Economic Development Conference, to be held Wednesday, April 1 in South Sioux City, NE can now be downloaded at: <http://antelope.unl.edu/midstatesconference.htm>

The focus of the conference is to offer strategies and ideas to advance community and rural development in Iowa, Nebraska and South Dakota.

This conference is designed for:

- Community leaders
- Business leaders
- Mayors
- City council members
- County supervisors
- County commissioners
- State legislators
- Development groups
- Chamber of commerce representatives
- Community volunteers

This year's featured speaker is Mr. Luther Snow, an expert in asset based development.

Registration, including lunch, is \$35 before Wednesday, March 20 and \$45 after that date. For more information, call Sherry McGill at (712) 276-2157.

### IMPORTANT REMINDER ON DISASTER ASSISTANCE

February 27<sup>th</sup> is **the final day** that eligible small businesses can apply for Economic Injury Disaster Loans from SBA. You can get more information on the SBA Disaster Loan Program, at [www.sba.gov/services/disasterassistance/index.html](http://www.sba.gov/services/disasterassistance/index.html) or call SBA's Disaster Assistance Customer Service Center at 1-800-659-2955.

## SBA Lender Activity Report for December

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
IOWA BUSINESS GROWTH CO.	JOHNSTON	4	\$71,000	FIRST NATIONAL BANK AMES	AMES	1	\$187,500
BLACK HAWK ECONOMIC DEV.	WATERLOO	3	\$1,349,000	FARMERS STATE BANK	MARION	1	\$120,600
US BANK	IOWA	3	\$435,000	COMMUNITY 1ST CU	OTTUMWA	1	\$85,000
NORTHWEST BANK & TRUST CO.	DAVENPORT	3	\$357,607	GREAT WESTERN BANK	SOUTH DAKOTA	1	\$66,100
CEDAR RAPIDS BNK & TRUST CO.	CEDAR RAPIDS	3	\$307,000	FIRST AMERICAN BANK	FORT DODGE	1	\$50,000
LIBERTY BANK, FSB	WDM	2	\$550,000	HERITAGE BANK, NA	HOLSTEIN	1	\$50,000
MIDWESTONE BANK	IOWA CITY	2	\$275,000	COMMUNITY NATIONAL BANK	WATERLOO	1	\$30,000
VANTUS BANK	SIOUX CITY	2	\$118,500	QUAD CITY BANK AND TRUST CO.	BETTENDORF	1	\$30,000
BANK OF CLARKSON	KENTUCKY	1	\$1,200,000	DUPACO COMMUNITY CU	DUBUQUE	1	\$20,000
AMERICAN NATIONAL BANK	HOLSTEIN	1	\$600,000	FIRST CENTRAL STATE BANK	DE WITT	1	\$10,000
MELVIN SAVINGS BANK	MELVIN	1	\$480,000	SUPERIOR FINANCIAL GROUP	CALIFORNIA	1	\$10,000
COMMUNITY SAVINGS BANK	EDGEWOOD	1	\$420,000	MOUND CITY BANK	WISCONSIN		\$500,000
BANK IOWA	RED OAK	1	\$380,000	VALLEY BANK	CLIVE		\$375,000
SIOUXLAND ECON. DEV. CORP.	SIOUX CITY	1	\$193,000				

*The following lenders were participant lenders in the SBA's 504 Loan Program in Iowa during the month of December*

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
CITIZENS STATE BANK	FT. DODGE	2	\$450,000	FIRST NATIONAL BANK	WAVERLY	1	\$225,000
LINN COUNTY STATE BANK	COGON	1	\$2,500,000	VERIDIAN CREDIT UNION	WATERLOO	1	\$195,000
SECURITY NATIONAL BANK	SIOUX CITY	1	\$290,000	TITONKA SAVINGS BANK	FOREST CITY	1	\$150,000
GREAT WESTERN BANK	RED OAK	1	\$280,000				

**NOTE: For a High-Resolution version of this document, go to:**

[http://www.sba.gov/idc/groups/public/documents/sba\\_program\\_office/unilateral\\_action\\_matrix.pdf](http://www.sba.gov/idc/groups/public/documents/sba_program_office/unilateral_action_matrix.pdf)



Version 01/30/09

U. S. Small Business Administration  
Commercial Loan Service Centers  
Fresno and Little Rock

Version 01/30/09

Types of Actions / Modifications		Etrans?  YES	Unilateral Actions		Requires prior SBA Approval
			Notify SBA?  NO	Notify SBA?  YES	
Prior to Initial Disbursement					
	Maturity extensions (PLP/Express only Notify)			X	X
	Initial disbursement date (PLP/Express only Notify)			X	X
	Business name /trade change	X		X	
	Change in Tax ID # or Social Security #			X	
	Reduction/Increase in interest rate (PLP/Express only Notify)			X	X
	Increase/Decrease the guaranty percentage				X
	Reinstatement of loan				X
	Cancellation of loan	X		X	
	Environmental Reviews** (non-PLP / Express only)				X
	Environmental Reviews** (PLP / Express only)		X		
	Changes to loan authorization (non-PLP/Express only)				X
After Initial Disbursement (13 CFR § 120.535 and 13 CFR §120.536)					
Miscellaneous	Any action that confers a Preference on the Lender				X
	Transferring a loan between two Participant Lenders				X
	Transfers, sells or pledges more than 90% of a loan				X
	Any action for which prior written consent is required by a Loan Program Requirement (e.g. Emergency Repurchase from Secondary Market, see ch.5 of SOP 50-50-4)				X
Payments	Payment Modification//Deferments***		X		
	Provide Payoff figures to borrowers		X		
	Rate Changes***			X	
	Determination of Involuntary Prepayment/Subsidy Recoupment Fee				X
	Accept prepayments		X		
Changes/Edits	Adjust management covenants		X		
	Assumption/Change in borrower's form****		X		
	Change of business names/address	X		X	
	Correct obvious typographical errors		X		
Loan Terms	Compromises on the principal balance of the SBA loan				X
	Increases to the principal amount of a loan				X
	Decrease in loan amounts			X	
	Extend final disbursement period			X	
	Decreasing guaranty percentage			X	
	Maturity extensions			X	
	Change of Loan from revolver to non-revolver	X		X	
	Reinstating the guaranty				X
	Termination of guaranty				X





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Types of Actions / Modifications		Etrans?  YES	Unilateral Actions		Requires prior SBA Approval
			Notify SBA?  NO	Notify SBA?  YES	
<b>Collateral</b>	Release/substitute collateral		X		
	Subordinate to third party senior lien		X		
	Make loans that do not adversely affect the collateral		X		
	Release/substitute guarantors		X		
	Change life or hazard insurance requirements		X		
	Change flood insurance requirements in accordance with SBA policy			X	
	Taking title to any property in the name of SBA				X
	Taking title to environmentally contaminated property, or taking over operation and control of a business that handles hazardous substances or hazardous waste.				X

- \* Documentation requirements: For all servicing actions, Lenders must document the justifications for their decisions and retain these and supporting documents in their file for future SBA review to determine if the actions taken by the Lender were prudent, commercially reasonable, and complied with all Loan Program Requirements.
- \*\* Loans approved on or after 8/1/08, Environmentals must be submitted to/approved by the Standard 7(a) Loan Processing Center - Citrus Heights, CA.
- \*\*\* For loan sold on the Secondary Market, any payment modification, rate changes, and deferment over 3 months, must have investor approval
- \*\*\*\* Must be sent in to SBA if it involves changing business name/tax id/social security number

#### Other helpful information for Lenders

- ✓ When submitting a unilateral action to notify SBA, you will receive a receipt from the appropriate servicing center that your action was received — and that will be the only communication you will receive. This is a reminder of the streamlined process regarding the handling of unilateral actions.
- ✓ Lenders should direct their action, request and/or SBA Form 2237 Checklist to either:  
Fresno Service Center at [fsc.servicing@sba.gov](mailto:fsc.servicing@sba.gov)  
Little Rock Service Center at [lrrc.servicing@sba.gov](mailto:lrrc.servicing@sba.gov)
- ✓ When taking action that falls within your unilateral authority, you are encouraged to notate your file with a statement such as "This action was taken pursuant to lender's Unilateral Authority." Then, attach this matrix to the statement and include it within your file.
- ✓ Lenders may contact their District Office Brand Managers if they have questions regarding the use of this matrix.
- ✓ Stamped approvals for unilateral actions are no longer issued by District Offices or by Centers.
- ✓ This is a handy guide. For the most recent version, be sure to check this website:  
<http://www.sba.gov/aboutsba/sbaprograms/slending/clc/index.html>